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SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Economics, Environmental Analysis, and Administration

February 17, 2004

Dr. Robert Fitzgerald
President
Medina County Environmental Action Association
202 CR 450
Hondo, TX 78861

Re: STB Finance Docket 34284, Southwest Gulf Railroad Company –
Construction and Operation Exemption – Medina County, TX

Dear Dr. Fitzgerald:

Thank you for your letter dated February 10, 2004 regarding Southwest Gulf Railroad Company's (SGR) proposed rail line construction and operation in Medina County, Texas. In your letter you request that the Section of Environmental Analysis (SEA) conduct public scoping workshops in the area to facilitate the submission of public scoping comments.

SEA has received numerous comment letters from the public that raise specific issues of concern. Based on the nature and extent of the comment letters, SEA has determined that the effects of the proposed project on the quality of the human environment are likely to be highly controversial, and that thus, preparation of an Environmental Impact Statement (EIS) is appropriate. SEA issued a Notice of Intent to Prepare an EIS and draft scope of study on January 28, 2004.

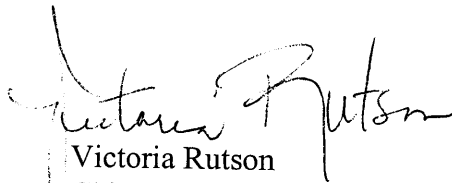
SEA mailed the Notice of Intent and draft scope of study to over 200 parties, including Federal, state, and local agencies, tribes, elected officials, local organizations, and interested members of the public. The Notice of Intent describes the EIS process and opportunities for public involvement. The draft scope of study incorporates the issues and concerns raised in the comment letters SEA has received thus far, and SEA is requesting comments on the draft scope of study by February 26, 2004. The document contains specific information about submitting comments. Although we appreciate your offer to host scoping meetings from your home, I believe that our current process is ensuring full participation and is working well.

After the close of the comment period on the draft scope of study, SEA will review all comments received and then issue a final scope of study for the EIS. Following the issuance of the final scope of study, SEA will prepare a DEIS for the project. The DEIS will address those environmental issues and concerns identified during the scoping process. It will also contain SEA's preliminary recommendations for environmental mitigation measures. Upon its

completion, the DEIS will be made available for public and agency review and comment for at least 45 days. A public meeting will also be held during the comment period for the DEIS. The details of the public meeting, including the specific format, location, and date, will be available in the DEIS. SEA will then prepare a Final EIS (FEIS) that addresses the comments on the DEIS from the public and agencies. Then, in reaching its decision in this case, the Surface Transportation Board will take into account the DEIS, the FEIS, and all environmental comments that are received

We appreciate your interest in the environmental review process for this proceeding. If we can be of further assistance, please do not hesitate to contact me or Rini Ghosh at (202) 565-1539.

Sincerely,

A handwritten signature in black ink, appearing to read "Victoria Rutson". The signature is fluid and cursive, with the first name "Victoria" and last name "Rutson" clearly distinguishable.

Victoria Rutson

Chief

Section of Environmental Analysis